



Guidelines for Proper Land Use within Pipeline Easements

Pipeline Safety

Piedmont Natural Gas and the Duke Energy Natural Gas Business Unit (collectively, the “NGBU”) provide natural gas to more than 1.6 million customers in North Carolina, South Carolina, Tennessee, Kentucky, and Ohio. It is our responsibility to provide safe and reliable energy to the communities we serve. This requires us to transport natural gas through a network of pipelines that are located near or on property belonging to individuals, businesses, and municipalities, among others.

Managing land use activities is a challenge for all stakeholders. Improper land use activities can contribute to the occurrence of a natural gas pipeline incident or serious injury. In fact, the greatest risk to the safety of the NGBU’s natural gas pipelines is from “third party damage”, which occurs when work by someone other than a natural gas operator damages a pipeline, often as a result of failing to take proper precautions and communicating with the NGBU. Impermissible encroachments into the right of way can also inhibit the NGBU from safely operating and maintaining the pipelines. The NGBU takes safety seriously, which includes protecting people, property, and the environment.

While safety is the top priority, the NGBU understands that utility operators, municipalities, and citizens may need to encroach into our easements with roads, utilities, or other uses in order to continue to grow our communities and economies. The encroachment permitting process is intended to facilitate safe encroachment into our easement, where appropriate, in a way that allows the NGBU to continue to provide safe and reliable energy to the communities it serves.

Encroachment Permitting Process

The encroachment permitting process is necessary to ensure the continued safe operation of the NGBU’s pipeline facilities and that all parties have appropriate and complete information. The owner of the proposed encroaching facilities (the “Project Owner”) must submit the project plan to the NGBU for review and authorization, unless the NGBU waives this requirement in its sole election. If appropriate, the NGBU will issue an encroachment permit (a “Permit”). A fully executed Permit, including the use of and adherence to other safety steps which the NGBU may require, is required before any work may begin.

To initiate the permitting process, the Project Owner must either:

- *contact a local Piedmont representative, or*
- *call the Customer Contact Center at 1-800-752-7504 for Piedmont or 1-800-544-6900 for Duke Energy, or*
- *submit an encroachment request and plans via email at LandTransmissionROW@duke-energy.com. Preliminary information regarding what details the NGBU may require in order to assess a specific project may also be requested via this email address.*

Prior to actual construction, the Project Owner must:

- *obtain a fully executed Permit,*
- *provide timely notice (minimum of three business days, or as otherwise specified in the Permit) of the work to the local NGBU Resource Center,*

- *have the Permit on site during construction,*
- *have a NGBU representative present if any excavation activities will occur, and*
- *fully complete any pre-construction conditions specified in the Permit.*

As required by law, ALWAYS contact 811 (OneCall) to obtain information regarding the location of existing facilities in the construction area. For Piedmont customers, more information can be found on Piedmont's website, Piedmontng.com, under About Piedmont/Public Awareness and Safety/Safety Information/Right-of-Way. For Duke Energy customers, more information can be found on Duke's website, Duke-energy.com, under Safety and Preparedness/Natural Gas Safety.

Intention and Use of the Guidelines

These guidelines are intended to increase the awareness of the NGBU's requirements and encourage early communication among key stakeholders when considering changes to land use within existing easements. These guidelines are only intended as general guidance in determining whether the proposed land use may be acceptable or not. The application of these rules may vary based on site-specific conditions, NGBU operation and maintenance procedures, and evolving safety regulations. These guidelines do not cover all possible situations and are subject to change at any time and without notice. The NGBU reserves all rights conveyed to it by the easement agreements applicable to the subject property.

Compliance with these guidelines does not excuse a stakeholder from contacting the NGBU for determination of acceptable land uses within the easements pursuant to the above-described permitting process. If permitted, the encroachments may be subject to additional terms and conditions determined by the NGBU which are not addressed in these guidelines, and the cost of protecting or relocating the pipeline as the NGBU deems necessary will be the responsibility of the Project Owner. Compliance with these guidelines and approval of any plans by the NGBU does not mean that the requirements of any governmental entity or agency or applicable laws and regulations have been satisfied.

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Use/Activity	Acceptable Use or Activity?	Additional Restrictions or Comments
<p>Structures, Objects, and Facilities of a Permanent Nature:</p> <p>Buildings, manufactured/mobile homes, marinas, satellite systems, swimming pools (and associated equipment and decking), graves, billboards, dumpsters, signs, wells, deer stands, septic systems or tanks (whether above or below ground), public airport runways, transformers, telephone/cable pedestals (and associated equipment), permanent canopies, concrete slabs, vaults, patios, porches, carports, fire hydrants, wells, gas/service stations, dumps/landfills, athletic stadiums, tennis courts, mini golf courses, auto or junk yards, and rifle ranges.</p>	No	<p>These installations are considered by NGBU to be permanent or substantially permanent in nature and interfere with NGBU's access to and maintenance of the pipeline.</p>
<p>Other Personal or Economic Uses:</p> <p>-Blasting, burning of trash or other materials, open fame cooking, flooding, leach fields.</p> <p>-Geologic and geophysical testing, hiking and horseback riding trails, greenways, parks and recreation areas, play equipment (without embedded footings or foundations), erosion control installations.</p> <p>-Model planes, drones, and ATVs.</p>	<p style="text-align: center;">No</p> <p style="text-align: center;">Yes, with prior written approval and subject to conditions</p> <p style="text-align: center;">Yes, but with restrictions</p>	<p>These activities are not permitted on the right of way and can pose a danger to NGBU's facilities.</p> <p>Expect these activities and uses to be subject to case-specific conditions upon review by NGBU, and compliance with other sections of these guidelines shall be required as applicable.</p> <p>General ATV travel is acceptable, but heavy traffic (i.e. racing) that results in heavy rutting may create unsafe conditions and is not authorized.</p>
<p>Subdivisions and Mobile Home Parks:</p>	Yes, with written approval and subject to conditions.	<p>Project Owner must work with NGBU regarding lot configuration, fences, roads and utilities to determine the best and safest long-term solution for the community and the NGBU facilities. Project Owner shall be responsible for submitting and recording approved subdivision plans and conveying the right of way restriction information to future homeowners.</p>

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<p>Agriculture:</p> <p>-Crops.</p> <p>-Orchards, vineyards, tree farms, nurseries.</p> <p>-Livestock grazing.</p>	<p>Yes, with prior written approval and subject to conditions</p> <p>No</p> <p>Generally, yes.</p>	<p>The growing of crops cannot involve installation of permanent structures or an increase or decrease in cover over pipelines. Underground and overhead irrigation systems must be reviewed and approved for compatibility.</p> <p>Orchards, vineyards, tree farms, and nurseries are not permitted.</p> <p>Use of the easement areas for livestock grazing is generally permissible, but the installation of fencing and structures will be subject to these guidelines and other site-specific requirements.</p>
<p>Storage of Materials:</p>	<p>No</p>	<p>Storage or stockpiles of any type, including without limitation: debris, flammable material, building material, wrecked or disabled vehicles, and all other objects (whether above or below ground) which, in NGBU's opinion interferes with the easement rights, are not allowed within the right-of-way.</p>
<p>Utilities:</p>	<p>Generally, yes, with prior written approval and subject to conditions</p>	<p>Sewer lines, water lines, and other utility lines (whether underground or overhead) shall not parallel the centerline of the right of way, but may cross, from one side to the other. NGBU will require the crossing to occur as close to 90 degrees as possible, maintaining of adequate coverage, and may require other conditions be met (i.e. excavation limitations, installation methods, depth, casing, material types, etc.)</p> <p>NGBU will require at least 24 inches of separation between the utility and pipeline (additional separation may be required on a case-by-case basis).</p> <p>Manholes, water valves, water meters, and backflow preventers are not permitted.</p> <p>Attachments to NGBU's structures are prohibited.</p>

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<p>Water and Drainage Features:</p> <p>-Lakes, ponds, retention or detention facilities, and dams.</p> <p>-Canals, ditches, and culverts.</p> <p>-Other drainage features.</p>	<p>No</p> <p>Yes, with prior written approval and subject to conditions</p> <p>Case-by-case assessment</p>	<p>These facilities create an access and maintenance barrier and are not permitted.</p> <p>Canals/ditches may be approved if adequate cover over the pipeline remains and access for operation and maintenance is retained. Culverts may be approved with proper separation if they extend the full width of the easement (no outfall within the easement).</p> <p>Any drainage feature that allows water to pond, causes erosion, directs storm water toward the right of way, or limits access to or around NGBU facilities is prohibited.</p>
<p>Landscaping:</p> <p>-Shrubs, flowers, and grasses.</p> <p>-Trees.</p> <p>-Underground Sprinkler and Irrigation Systems.</p>	<p>Yes, with prior written approval and subject to conditions</p> <p>No</p> <p>Yes, with prior written approval and subject to conditions</p>	<p>NGBU does not object to low growing shrubs, flowers, grasses (not to exceed 4 feet at maturity), provided NGBU's access to the easement is not unreasonably hindered in NGBU's opinion. Vegetation that is not in compliance is subject to removal without notice.</p> <p>Trees are not allowed within the easement.</p> <p>Crossings of pipeline must be kept to a minimum. Sprinkler heads must be set outside the right of way with due consideration given to cathodic protection interference.</p>
<p>Fencing:</p>	<p>Yes, with prior approval and subject to conditions.</p>	<p>Expect NGBU to require compliance with case-specific conditions, including without limitation:</p> <ol style="list-style-type: none"> 1. Posts must be installed greater than 3 feet from located gas line. 2. Fences shall not parallel the centerline within the rights of way. 3. The cross from one side to the other of the right of way is as near a 90-degree angle as possible. 4. A 12-foot-wide gate at each crossing of the right of way shall be installed by the property owner. 5. Locks must be approved to maintain access. 6. In general, no masonry or brick fences are allowed.

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<p>Parking Lots, Roads, and Vehicular Crossings:</p> <p>-Streets, roads, driveways and private airstrips.</p> <p>-Parking Lots.</p> <p>-Roundabouts, cul-de-sacs, and intersections.</p> <p>-Heavy Equipment Crossings.</p>	<p>Yes, with prior written approval and subject to conditions</p> <p>Yes, with prior written approval and subject to conditions</p> <p>No</p> <p>Yes, with prior written approval and subject to conditions</p>	<p>These installations shall not parallel the centerline within the right of way, but may cross, from one side to the other at as close to 90 degrees as possible.</p> <p>Any parking lot access areas, entrances, or exits shall cross (from one side to the other) the right of way at as close to 90 degrees as possible. Parking lot entrances/exits cannot create an intersection within the right of way.</p> <p>These installations are not permitted due to increased traffic and surface area.</p> <p>NGBU supervision is required while work is in progress, and 3 working days' notice is required prior to performing any work.</p> <p>NOTE: In all cases in this Use/Activity section, NGBU will require conditions related to surface materials, surface permeability, pipeline cover, and wheel load maximums.</p>
<p>Surface Changes:</p> <p>-Grading (cuts and fills).</p> <p>-Retaining Walls.</p>	<p>Yes, with prior written approval and subject to conditions</p> <p>Yes, with prior written approval and subject to conditions</p>	<p>The graded slope cannot exceed 4:1, access to NGBU's gas lines cannot become unreasonable in NGBU's opinion, and existing and minimum coverage must be maintained. Storage or stockpiling of dirt or any other material is prohibited. Sedimentation control, including re-vegetation, is required per state regulations.</p> <p>Design of retaining walls must be reviewed and approved by NGBU.</p>